



DEPARTMENT OF STATE
BRIEFING MEMORANDUM

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September 26, 1974

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To: The Secretary
From: ARA - William G. Bowdler, Acting

WGR

Your Luncheon Meeting with Silveira
Saturday, September 28 - 12:00 noon
Madison Room

Participants:

Brazil: Foreign Minister Silveira
Ambassador Araujo Castro
Minister Holanda Cavalcanti

US: The Secretary
Assistant Secretary Designate Rogers
Acting Assistant Secretary Bowdler
Luigi Einaudi, S/P
Robert Ballantyne, ARA/BR (notetaker)

No interpreter required.

Biographic Information is at Tab A.

Setting

You invited Silveira to Washington in connection with a possible White House call and for lunch in order to continue the bilateral discussions you had last Monday in New York. He will be escorted to your dining room, and you will be called when he arrives to join him and the other guests.

The meeting offers an opportunity to mention to Silveira that the President will see him Sunday (time not yet given) and to discuss the modes of future

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Declassified Authority: 44281 By: Laurie Madsen Date:
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consultation between the US and Brazil. You may also wish to discuss future actions on the Cuba issue, Brazilian views on developments in Latin America, prospects for the Inter-American system, the nuclear status of Latin America and the outlook for ex-Portuguese colonies in Africa.

Silveira's principal interests will include Cuba and future consultations. He may also raise the problem for US-Brazilian relations caused by Treasury's imposition of a multiple rate countervailing duty on shoes.

Issues/Talking Points

1. Bilateral consultations

Three levels of consultation are under consideration. Ministerial level, Assistant Secretary level and Policy Planning Staff level. Silveira prefers direct political talks with you. (Background Paper on "Future Bilateral Consultations" at Tab B.)

Your Talking Points

-- Structure. Having tentatively agreed to January Ministerial talks in Brasilia, we think it would be useful to have Assistant Secretary level talks before then, shortly after new Assistant Secretary is confirmed.

-- Character. We prefer informal approach rather than advertising talks as formal commission.

-- Agenda. You are open to Brazilian suggestions, prepared to review global, regional and bilateral issues. US-Brazil security and nuclear relationships ripe for discussion. (Expanded agenda is at Tab B.)

-- Policy Planning Talks. We are arranging these with a number of other countries, and would like to pursue idea with Brazil. What is Silveira's reaction?

2. Cuba

Silveira will want your views on how we will approach the Quito MFM and US-Cuban relations after that meeting, as well as reassurances that we will not

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act unilaterally. (Background Paper on Cuba at Tab C.)

Your Talking Points

-- We agree with Brazil the November 8 Quito meeting should not be either a propaganda show for Castro or a confrontation between his defenders and adversaries.

-- What are Silveira's views on the chances for a positive signal from Castro, how might he be encouraged to make one.

-- Our position at Quito will be influenced by Castro's actions and the kind of formula the OAS adopts with respect to sanctions.

-- Does Silveira plan to go to Quito. Your schedule does not seem to permit it at the moment.

-- We will stay in close touch with Brazil.

3. Developments in Latin America

Silveira was Ambassador to Argentina and is considered a specialist on Latin America.

Your Talking Point

-- Ask Silveira's views after six months in office.

4. Inter-American System

Brazilian Position: Brazil relies on its bilateral relationships to protect its interests and advance its causes within the hemisphere. While it is critical of the OAS, regarding it as moribund, Brazil has taken no initiative to strengthen the organization, and may be content to see it remain ineffective.

US Position: We consider the OAS, however imperfect, a useful institutional arrangement. We support efforts to reform the OAS, but oppose the proposal by Peru of a form of "collective economic security" which would set up new, unrealistic treaty obligations that purport to enforce national economic behavior, particularly by the larger powers.

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Your Talking Points

-- We would appreciate any support Brazil would see fit to give to persuading the Peruvians and their supporters to abandon an approach to collective economic security which we will not be able to accept.

-- We are interested in Brazil's views on whether, when and how the informal MFM mechanism should be folded into the formal OAS structure.

5. Portuguese Africa

Brazilian Position: The GOB follows developments in Portuguese Africa with special interest and, in the future, can be expected to seek positions different from those of Portugal, whose new government it regards with reservation.

US Position: We are exploring ways in which we could be responsive to requests for developmental assistance that might be made to us by the new African governments concerned.

Your Talking Points

-- Query Silveira re his thoughts on the future of Portuguese Africa.

-- We are preparing ourselves to be able to respond to possible requests for developmental assistance from these new governments, particularly in the training of administrative and planning personnel.

-- We would not wish to duplicate Brazilian assistance efforts if the GOB has any in mind. Would the GOB be interested in a coordinated approach?

6. Nuclear Proliferation and Cooperation

Brazilian Position: The GOB is opposed to the proliferation of nuclear weapons in Latin America but has not signed the Non-Proliferation Treaty. If Brazil becomes convinced that Argentina intends to obtain a nuclear weapons capability, Brazil would almost certainly follow suit. Brazilian uncertainty regarding US willingness to supply enriched fuel appears to be leading it to look for alternative sources.

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US Position: We are interested in continuing to help Brazil meet its legitimate needs for nuclear power, but we are deeply concerned about the dangers of nuclear proliferation. We prefer adherence to the NPT, but recognize that there may be other roads to non-proliferation.

Your Talking Points

-- Attempt to draw Silveira out on this subject.

-- Assure him of our interest in continuing to help Brazil meet its growing needs for nuclear power.

-- Suggest this subject for inclusion in subsequent bilateral consultations.

7. Countervailing Duties

Brazilian Position: Silveira favored a political, and Finance Minister Simonsen a technical, approach toward us on this issue, and the division caused internal difficulties within the GOB. Indications are that Silveira is attempting to manipulate this issue to embarrass Simonsen and to regain influence over the handling of international economic affairs lost over the years by weak Foreign Offices to stronger Finance Ministries. The Foreign Office's recent note of protest warning us that Treasury's decision to countervail "could hinder efforts which both countries are developing to intensify their bilateral relations" is consistent with this analysis.

US Position: Given Silveira's preference for forcing a political confrontation on issues like this, it might be useful for you to tell him that the technical consultations were instrumental in obtaining a lower rate of duty from Treasury.

Your Talking Points: (if issue raised by Silveira)

-- Technical consultations were instrumental in obtaining a lower rate of duty from Treasury.

-- Countervailing duties are being levied on other countries, also. No discrimination against Brazil was involved.

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-- Treasury's approach is the one which will least affect Brazilian exports and still be defensible in our courts.

-- Let's try to keep this issue in perspective.

Attachments:

- Tab A - Biographic Information
- Tab B - Background Paper "Future Bilateral Consultations"
- Tab C - Background Paper - The Cuba Issue
- Tab D - Toast

 
Drafted:ARA/BR:AFWatson;RJBallantyne:lk
x.21245:9/26/74

Concurrences: AF/S:WPO'NeillJr.RB
ACDA:KRogers RB
NSC:Slow RB

IO:Amb.Blake RB
S/P:LEinaudier RB

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~~No Foreign Dissem~~

Geraldo Egidio da Costa HOLANDA CAVALCANTI
(Phonetic: olANda CavalCANTi)

Deputy Chief of Cabinet
Ministry of Foreign Relations

Minister Geraldo Holanda Cavalcanti is one of Foreign Minister Silveira's principal advisers. He is a career Foreign Service Officer who is reputed to be an outstanding economist, and an expert on Chinese affairs. He has been active in the rapprochement between Brazil and the PRC which culminated in the establishment of diplomatic relations in August 1974. The first step of the process was a visit to the Canton Trade Fair by a Brazilian businessman accompanied by Holanda Cavalcanti in 1971. He remained involved in Chinese affairs as Consul General in Hong Kong until 1973.

Born on February 6, 1929, in Recife, Pernambuco, Cavalcanti graduated from the Law School of the University of Pernambuco in 1951. He subsequently attended the Academy for International Law at the Hague. After entering the Brazilian Foreign Service in 1954, he was appointed assistant chief of the ministry's economic and consular department (1955-56). He has held foreign assignments in Washington, Geneva, Moscow and Hong Kong. Cavalcanti has been affiliated with the National Bank for Economic Development and served briefly as chief of its treaty division in the department for international operations (1959-60). From 1967 to 1970 he was assigned to the Ministry of Industry and Commerce. He has participated in trade negotiations concerning coffee, cocoa, sugar and rice.

During his various domestic and foreign assignments he attended numerous conferences, including the Special Committee Meeting of the OAS for the study of compensatory financing of primary products (1962), the United Nations Conference for Trade and Development (UNCTAD) sessions in New York and Geneva (1964 and 1966), and the meeting of the Special Commission for Latin American Coordination (CECLA) in Alta Gracia (1964). Most recently he attended the Meeting of Foreign Ministers in Washington (1974), and the subsequent OAS General Assembly Meeting in Atlanta.

Geraldo Holanda Cavalcanti is married to the former Dirce de Assis. The Minister speaks fluent English.

September 26, 1974

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Antônio Francisco AZEREDO da SILVEIRA
(Phonetic: ahzehRAYdoo
dah seelVAYrah)

BRAZIL

Minister of Foreign
Relations

Addressed as:
Mr. Minister



Antônio Azeredo da Silveira, 56, became Minister of Foreign Relations on 15 March 1974. At the time of his Cabinet appointment, Azeredo da Silveira, a career diplomat, had been serving since March 1969 as Ambassador to Argentina. He is noted for his intelligence and energy,

FOIA(b)(1)

Azeredo da Silveira began his diplomatic career in the United States, serving as an aid to the Brazilian consul in San Francisco from 1937 to 1941.

FOIA(b)(1)

Azeredo da Silveira is an ardent nationalist.

FOIA(b)(1)

Azeredo da Silveira speaks fluent English.

15 August 1974

[REDACTED]

João Augusto de ARAUJO CASTRO
(Phonetic: ahrahOOzhoo KAHstroof)

BRAZIL

Ambassador to the
United States

Addressed as:
Mr. Ambassador



João Augusto de Araújo Castro, 54, one of the top two or three most experienced and able diplomats in the Brazilian Foreign Service, has been Ambassador to the United States since 15 May 1971. A career Foreign Service officer, he had previously served as Ambassador and Permanent Representative to the United Nations (July 1968-January 1971). Araújo Castro has been characterized as one of the most objective and effective negotiators in Brazil's diplomatic corps. He has the distinction of being one of the youngest men ever accorded the Foreign Affairs portfolio (1963-64).

Since his arrival in Washington Araújo Castro has shown a tendency to mix personal pride with national dignity and to manage his country's international relations from his Washington post. He is a keen analyst of world affairs. He is a good conversationalist, using wit and humor to make his points.

[REDACTED] FOIA(b)(1)

The Ambassador is married to the former Myriam Saint-Brisson and has three children. He speaks English, French, Greek, Italian and Spanish.

15 August 1974

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TOAST FOR LUNCHEON IN HONOR OF
BRAZILIAN FOREIGN MINISTER
ANTONIO AZEREDO DA SILVEIRA

September 28, 1974

-- Mr. Minister, I am grateful that you could come to Washington for these discussions. Our visitor today, my friend the Brazilian Foreign Minister, is, as you know, a career foreign service officer, and I should state that I hold the profession in great esteem despite the impressions I sometimes give to my staff. In Brazil, I note it is also most highly regarded for where else does one find that a country's most luxurious limousine is named after its Foreign Office (Itamaracá). We considered emulating Brazil in this respect but decided unanimously that the name "Foggy Bottom" would have limited consumer appeal.

One of the reasons Brazil and the U.S. find it comfortable working together, besides our intrinsic values, may be because we do not meet on the soccer field. But this is a world of change and we are getting better at your kind of "football." The day may be coming when our special relationship is put to the final and acid test: A World Cup match between our two countries. May God, (who, I understand, is a Brazilian) arrange a tie.

-- I am pleased that we have been able to plan together today for future consultations between our governments. I am hoping that the next ministerial level meeting will take place in January in Brazil, and, while I thought fleetingly about spending as much time as possible in marvelous Rio de Janeiro, especially on its famous beaches, I do not doubt for a moment that the tranquility, broad horizon and crystalline air of Brasilia will contribute more to the breadth of our perspective, the acuity of our vision and the attention we devote to the serious matters before us.

-- I believe that the importance of close consultation between our two countries on a broad variety of issues, multilateral as well as bilateral, at several levels of government, has never been greater than now. Global relationships are in flux. Brazil, propelled by its impressive economic growth, finds its international influence increasing. You are devising a new foreign policy to meet your new interests and goals; adopting a conceptual approach which I believe is called "responsible pragmatism." Thus, it is only natural that Brazil's relationship with the United States should be changing. This is inevitable, healthy and good. But together, we must manage this change intelligently. We must retain our traditional friendship while seeking out new opportunities and avoiding conflicts to the extent

possible. Close, frank and frequent consultations on technical as well as political matters are essential to these efforts.

-- Although we have traditionally enjoyed excellent relations, the interests of the United States and Brazil obviously are not identical. They are frequently parallel, however, and we can often work together to accomplish mutually satisfactory results. Differences will arise between us. This is to be expected. But on our part, I pledge this -- that I will do what I can and the U.S. Government will do what it can to see that individual differences or problems do not cloud our perception of our many mutual interests.

-- In a spirit of admiration, mutual respect and long and good friendship, I ask you to lift your glasses in honor of our distinguished guest: His Excellency, The Minister of Foreign Affairs of Brazil, Antonio Azeredo da Silveira.

Drafted: ARA/BR: AFWatson; RJBaillentyne: lk
x21245: 9/27/74
Clearance: S/PC: RMP/mer

TO BE PROVIDED